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February 8, 2012

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

Re: Application of Duke Energy Carolinas, LLC ("Duke" or "Company") for Authority to Adjust and Increase Its Electric Rates and Charges
Docket No.: 2009-226-E

Dear Ms. Boyd:

This is to inform the Public Service Commission of South Carolina ("Commission") that the South Carolina Office of Regulatory Staff ("ORS") has discussed with Duke personnel and reviewed the Company's filing in the above referenced Docket notifying the Commission of the Company's intention to terminate its Pension Cost Rider effective February 1, 2012. Termination of this Rider was agreed to in the Settlement Agreement in Duke's 2011 general rate case and approved by the Commission in Order No. 2012-77. Removal of this Rider eliminates an incremental charge to customers of 0.0089 cents/kWh. In addition, any resulting over collection will be used to offset the incremental pension expense not included in base rates.

Based on the information provided, ORS has no objection to Duke's request in the above referenced Docket.

Thank you for the opportunity to provide our comments in this matter.

Sincerely yours,

John W. Flitter

JWF/sh

cc: Dan Arnett, Chief of Staff – ORS
Nanette Edwards, Esquire, Chief Counsel, Director of Legal Services – ORS
Shannon Bowyer Hudson, Esquire – ORS
Dr. James Spearman, Executive Assistant, SC PSC
All Other Parties of Record